



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

INFORMATIONAL LETTER NO.1254

DATE: June 25, 2013

TO: Home Health Agency Providers

FROM: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Private Duty Nursing / Personal Care Services for Members under Age 21

EFFECTIVE: July 1, 2013

Legislative Action

Pursuant to Senate File 446, section 29f (Iowa Code Section 249A.4, and 2013 Iowa Acts), the reimbursement methodology for private duty nursing and personal care services provided to members under age 21 will be revised. The language in the legislation is as follows:

“For the fiscal year beginning July 1, 2013, rates for private duty nursing and personal care services under the early and periodic screening, diagnostic, and treatment program benefit shall be established based on an hourly interim rate subject to cost settlement up to a limit calculated by the department, and subject to approval by the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services.”

The rules to implement this change are in the rule making process at this time. The web site to review the proposed rule is:

<http://www.dhs.iowa.gov/policyanalysis/RulesPages/Dockets.htm>

Reimbursement Methodology

The interim fee schedule will be adjusted from a statewide interim fee schedule to an interim provider-specific fee schedule based on the State Medicaid agency's estimate of reasonable and necessary costs for services provided, and will be paid based on financial forms approved by the department, with suitable retroactive adjustments based on final financial reports.

The reimbursement codes for nursing will transition to only one code (T1000 for both RN and LPN services). Use of the high-tech modifier will be discontinued. Iowa Medicaid is required to use standardized codes. The only general nursing code is T1000, for which one unit is 15 minutes of service.

Cost reports for these services will be required within 180 days of the end of your agency fiscal year. The cost report form and training will be finalized by this fall. This information will be sent out in a separate informational letter.

Transition Process

The programming for this change is not expected to be in place until the end of July. In July, you will receive the modified prior authorization (PA) in which the units for the LPN or RN will be reduced and end on June 30, 2013. The new code will be added to the PA with the number of units beginning July 1, 2013, until the end of the authorization date. The procedure code for home health aide services will remain the same. A copy of the modified PA will be sent to your office.

If there are questions you may contact the IME Provider Services Unit at 1-800-338-7909 or locally in Des Moines at 515-256-4609 or email at imeproviderservices@dhs.state.ia.us.